

CITY OF ALBUQUERQUE, NEW MEXICO
RECONCILIATION OF THE BALANCE SHEET - GOVERNMENTAL FUNDS
TO THE STATEMENT OF NET ASSETS
JUNE 30, 2007

Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Assets:

Total Fund Balance Governmental Funds (page 29).	\$ 330,800,692
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds.	2,930,627,860
Long-term obligations applicable to the City's governmental activities are not due and payable in the current period and accordingly are not reported as fund liabilities. Interest on long-term debt is not accrued in governmental funds, but rather is recognized as an expenditures when due. All liabilities are reported in the statement of net assets.	(329,632,705)
Internal service funds are used by the City to charge the cost of tort liability, workers compensation and employee health insurance to other individual funds. In additions, the cost of providing communications, fleet maintenance and supplies warehousing services are also charged. The assets and liabilities of the internal service funds are included in governmental activities in the statement of net assets.	16,838,892
Other deferred and accrued charges that are not financial uses and resources and, therefore, are not reported in the funds.	(141,305)
Interest earned on loans receivable are not available for collections and are not included in the governmental fund financial statements. However, the accrued interest is reported in the governmental-wide financial statements.	39,765
Some of the City's taxes will be collected after year-end and amounts due on real estate contracts are not available soon enough to pay for the current period's expenditures, and therefore, are reported as deferred revenue in the funds.	<u>36,099,918</u>
Total net assets of governmental activities (page 25)	<u>\$ 2,984,633,117</u>

The accompanying notes are an integral part of these financial statements